

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
NORTHWESTERN CORPORATION,)	Case No. 03-12872 (JLP)
)	
Debtor.)	related Document Nos. 3055, 3076
_____)	

**MAGTEN ASSET MANAGEMENT CORPORATION'S
DESIGNATION OF THE RECORD AND STATEMENT OF THE ISSUES ON APPEAL**

Magten Asset Management Corporation, by and through its undersigned counsel, and pursuant to rule 8006 of the Federal Rules of Bankruptcy Procedure, hereby files this designation of the record and statement of the issues on appeal.

DESIGNATION OF THE RECORD

<u>Date</u>	<u>Number</u>	<u>Docket Text</u>
12/01/04	2432	Application for Compensation re Fifth Quarterly and Final Fee Application of Paul, Hastings, Janofsky & Walker LLP. Filed by NorthWestern Corporation (Entered: 12/01/2004) ¹
01/03/05	2527	Magten Asset Management Corporation's Objection to Final Fee Application of Paul Hastings Janofsky & Walker LLP (Entered (01/03/05)
01/25/05	2635	Fee Auditor's Final Report Regarding Final Fee Application Of Paul, Hastings, Janofsky & Walker LLP For Allowance And Payment Of Compensation And Reimbursement Of Expenses For The Period From September 14, 2003, Through November 1, 2004 Filed by Warren H. Smith & Associates, P.C. (Entered: 01/25/2005)
01/19/05	2619	Paul, Hastings, Janofsky & Walker, LLP's Reply To Magten Asset Management Corporation's Objection To Final Fee Application (Entered: 01/19/2005)
5/03/05	3063	Transcript of May 3, 2005 Hearing

¹ All documents designated are with the exhibits as filed with the Court.

5/09/05 3055 Order With Respect to Final Fee Application of Paul, Hastings, Janofsky & Walker LLP. Order Signed on 5/9/2005. Order Signed on 5/9/2005. (Entered: 05/09/2005)

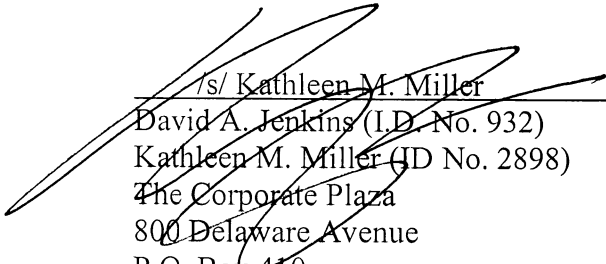
STATEMENT OF ISSUES ON APPEAL

1. Whether the Bankruptcy Court abused its discretion and/or erred in approving Paul Hasting Janofsky & Walker LLP's Final Fee Application before the disqualification appeal is decided.

2. Whether the Bankruptcy Court abused its discretion and/or erred in holding that Paul Hastings Janofsky & Walker LLP should be compensated for matters (1) which it represented to the Court it had withdrawn as counsel and (2) when a substantial portion of the fees and expenses incurred were not necessary and did not benefit the Debtor's estate.

Dated: Wilmington, Delaware
May 26, 2005

SMITH, KATZENSTEIN & FURLOW LLP



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